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14-00000

COR-1035

Copy 1 of 4

14 December 1960

MEMORANDUM FOR THE RECORD

SUBJECT: Negotiation of Contract Changes to Contract Nos. RT-100, JL-1922 and KK-1010, LMSD Projects CORONA and ARGON

1. LMSD submitted under its letter SP-624 dated 28 October 1960 a series of proposals to cover changes made to the subject contracts. On 18 November the undersigned and the Contracting Officer met with representatives of the Contractor. These negotiations resulted in agreement on the cost and fee of the changes under RT-100 and JL-1922.

2. On 22 November the undersigned met with representatives of the Contractor and DOD in New York City and arrived at agreement on the cost and fee for the changes under Contract No. KK-1010.

3. A general summary of the cost and fee negotiation is set forth below:

a. Contract No. RT-100:

Contractor's Proposal	Cost	<div style="border: 1px solid black; width: 100px; height: 50px; display: flex; align-items: center; justify-content: center;">50X1</div>
	Profit	
	Total Price	

The Government agreed to accept Contractor's proposal as stated for target and funding purposes only and such agreement was not to be construed as acceptance of the profit amount. The total profit was to be determined at time of Price Redetermination.

b. Contract No. JL-1922:

Contractor's Proposal	Cost	<div style="border: 1px solid black; width: 100px; height: 50px; display: flex; align-items: center; justify-content: center;">50X1</div>
	Fee	
	Total Cost and Fee	

The Government Representatives took exception to approximately \$700,000 in estimated costs and objected to fee being applied fully and/or at all to certain changes. The Government's offer which was accepted by the Contractor was as follows:

<div style="border: 1px solid black; width: 300px; height: 100px; display: flex; align-items: center; justify-content: center;">50X1</div>	Cost	<div style="border: 1px solid black; width: 100px; height: 50px; display: flex; align-items: center; justify-content: center;">50X1</div>
	Fee	
	Total Cost and Fee	

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In addition to the above which is evidenced in Amendment No. 2 to JL-1922 a proposal set forth in Contractor's letter SP-484 dated July 11, 1960 which had previously been agreed to was included for a total cost and fixed fee in Amendment No. 2 of [redacted] respectively.

50X1

c. Contract No. KK-1010:

Contractor's Proposal	Cost	[redacted]
	Fee	
Total Cost and Fee		

50X1

The Government Representatives took exception to costs of approximately [redacted] and a fee reduction of [redacted]. The Contractor accepted the following offer:

50X1

	Cost	[redacted]
	Fee	
Total Cost and Fee		

Amendment No. 5 to Contract No. KK-1010 evidences the above agreement.

50X1

[redacted]
Negotiator

CONCURRENCE:

50X1

[redacted]
Contracting Officer, DPD

DDP-DPD-CB [redacted] lmw (14-12-60)

50X1

Distribution:

- ✓ Orig - CB/DPD RT-100, Prop. Sec.
- 2 - CB/DPD JL-1922, Prop. Sec.
- 3 - CB/DPD KK-1010, Prop. Sec.
- 4 - RI/DPD Chrono

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